

**STATE OF ILLINOIS**  
**ILLINOIS COMMERCE COMMISSION**

COMMONWEALTH EDISON COMPANY

Petition for approval of delivery services tariffs  
and tariff revisions and of residential delivery  
services implementation plan and for approval  
of certain other amendments and additions to  
its rates, terms and conditions

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No. 01-0423

Rebuttal Testimony and Exhibit of

**Alan Chalfant**

On Behalf of

**Illinois Industrial Energy Consumers**

Project 7627  
October 2001



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**ILLINOIS COMMERCE COMMISSION**

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**Rebuttal Testimony of Alan Chalfant**

1    **Q     PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2    A     Alan Chalfant, 1215 Fern Ridge Parkway, Suite 208, St. Louis, MO 63141-2000.

3    **Q     BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

4    A     I am a consultant in the field of public utility regulation with Brubaker & Associates,  
5           Inc., energy, economic and regulatory consultants.

6    **Q     ARE YOU THE SAME ALAN CHALFANT THAT FILED DIRECT TESTIMONY ON**  
7           **BEHALF OF IIEC IN THIS PROCEEDING?**

8    A     Yes, I am.

9    **Q     WHAT ISSUES DO YOU ADDRESS IN YOUR REBUTTAL TESTIMONY?**

10   A     I will respond to the rebuttal testimony of ComEd witnesses Jerome Hill and Alan C.  
11           Heintz and the direct testimony of GC witness David Effron concerning the  
12           functionalization of General Plant and Administrative and General (A&G) costs to

1 delivery service rates. I will also respond to the rebuttal testimony of ComEd  
2 witnesses Alan C. Heintz, the panel of Sally Clair and Paul Crumrine, and the panel  
3 of Lawrence Alongi and Sharon Kelly and the direct testimony of Staff witness Mike  
4 Luth addressing the allocation of revenue responsibility between classes, and the  
5 design of rates applicable to large industrial customer.

6 **The Functionalization of General Plant and A&G Expenses**

7 **Q IS THE STATEMENT OF COMED WITNESS JEROME HILL AT PAGE 5,**  
8 **LINES 108-110, OF HIS REBUTTAL TESTIMONY THAT YOU HAVE TESTIFIED**  
9 **THAT USE OF SPECIFIC INFORMATION IS MORE ACCURATE THAN AN**  
10 **ALLOCATION CORRECT?**

11 **A** Yes, but he has taken my statement out of context with the result that his observation  
12 is misleading. In my direct testimony, after acknowledging at page 7, lines 15 and 16,  
13 that use of specific information is usually more accurate than an allocation of costs, I  
14 went on to state in the very next sentence, "However, the very nature of the costs  
15 under discussion suggests that they are not likely to be amenable to direct  
16 assignment." ComEd's direct assignments of these costs are an illustration of a  
17 circumstance where such direct assignments are inappropriate.

18 In its Order in Docket No. 99-0117 the Commission also expressed a  
19 preference for direct assignments where appropriate, but recognized that direct  
20 assignments were not appropriate in the case of General Plant costs and A&G  
21 expenses. Specifically, the Commission states at page 27 of that Order:

22 While direct assignment may be a better method in some cases, the  
23 Commission does not believe costs, which include CEO and executive  
24 salaries, are amenable to direct assignment. Were such costs  
25 amenable to direct assignment, Edison would have assigned these  
26 costs directly to the distribution function in prior cases. Edison did not.  
27 For the same reasons that we disagreed with Edison's direct  
28 assignment of General Plant costs, we also disagree with Edison's

1 direct assignment of A&G expenses. We, therefore, adopt IIEC's  
2 proposal for allocation.

3 **Q MR. HILL ALSO STATES THAT YOU HAVE NOT OFFERED AN OPINION ON THE**  
4 **MERITS OF COMED'S FUNCTIONALIZATION. WHY HAVEN'T YOU?**

5 A ComEd's proposal is to directly assign General Plant costs and A&G expenses to the  
6 cost of service functions. For the reasons stated by the Commission and quoted in  
7 my prior answer, a direct assignment or precise allocation of General Plant costs and  
8 A&G expenses by definition cannot be valid. Commenting on ComEd's method  
9 would be like commenting on the emperor's new clothes. At best, ComEd's proposal  
10 can be described as replacing a method that is approximately right with one that is  
11 precisely wrong.

12 **Q MR. ALAN HEINTZ STATES AT PAGE 11, LINES 240-243, OF HIS REBUTTAL**  
13 **TESTIMONY THAT YOUR STATEMENT THAT USE OF A LABOR ALLOCATOR IS**  
14 **THE METHOD USED BY THE FERC TO FUNCTIONALIZE GENERAL PLANT**  
15 **COSTS AND A&G EXPENSES IS INCORRECT. DO YOU AGREE?**

16 A Certainly not. The labor allocator is the only method that the FERC has specifically  
17 adopted for that purpose. It did so in Opinion No. 20, Minnesota Power & Light  
18 Company, et al. 5 FERC ¶61,091, issued August 3, 1978, and has repeatedly  
19 followed this policy.

1    **Q     MR. HEINTZ SUPPORTS HIS ARGUMENT BY NOTING THAT THE OPEN**  
2       **ACCESS TRANSMISSION TARIFF (OATT) RATES FILED BY COMED AND**  
3       **ACCEPTED BY THE FERC IN SEPTEMBER 1999 AND THE RATES INCLUDED IN**  
4       **THE SETTLEMENT OF THAT FERC PROCEEDING REFLECT THE SAME**  
5       **METHOD OF FUNCTIONALIZATION COMED HAS PROPOSED HERE. DOESN'T**  
6       **THIS SUGGEST THAT THE FERC HAS ADOPTED THE COMED METHOD?**

7    **A     No.** There are several problems with his argument. First, the rates in question and  
8       the methodologies underlying those rates were not fully litigated in front of FERC  
9       because of the settlement referenced by Mr. Heintz. So the FERC did not adopt any  
10      specific position taken by the parties, including ComEd. Second, when he says that  
11      the rates ComEd filed were accepted by the FERC for filing, that simply means that  
12      ComEd was allowed to put those rates in place with their reasonableness to be  
13      determined after hearings. In that case, the rates were allowed to take effect  
14      immediately because they represented a reduction from ComEd's prior rates. It does  
15      not mean FERC adopted a particular method of cost allocation underlying those  
16      rates. The final rates were the product of a settlement of compromise.

17           Third, the "Stipulation and Agreement" approved by the FERC specifically  
18      states:

19                   "Neither ComEd nor any party in approving, accepting, agreeing to or  
20                   not opposing this Stipulation and Agreement, shall be deemed to have  
21                   approved, accepted, agreed to or consented to any fact, calculation,  
22                   theory, principle with respect to return on equity or otherwise, cost  
23                   allocation, or to any underlying data or to any data that may be  
24                   asserted to underlie this Stipulation and Agreement." (Stipulation and  
25                   Agreement, Docket Nos. ER00-4470-000 and EL00-21-000, page 4)

26      As this statement suggests, the parties agreed to a "black box" settlement in which  
27      the agreed upon rates were not contested by the parties but no one agreed on any  
28      particular principles or methodologies underlying those rates. Yet, Mr. Heintz is

1 suggesting that the functionalization of General Plant costs and A&G expenses was  
2 specifically adopted by FERC. This is simply not the case.

3 **Q GC WITNESS EFFRON ALSO PROPOSES TO ADJUST COMED'S PROPOSED**  
4 **FUNCTIONALIZATION OF GENERAL PLANT COSTS AND A&G EXPENSES. IS**  
5 **YOUR PROPOSAL THE SAME AS HIS?**

6 A Yes. We both propose that ComEd's special assignments and allocations of these  
7 costs to its functions be rejected in favor of use of a labor allocator as ordered by the  
8 Commission in Docket No. 99-0017. Our estimates of the impact of that adjustment  
9 on delivery services rates vary somewhat, however, for a number of reasons. First,  
10 we have used slightly different labor allocators. Second, Mr. Effron has also applied  
11 his adjustment to Intangible Plant and I did not. Third, my starting point was Mr.  
12 Heintz's cost of service study, while Mr. Effron relied on different ComEd materials as  
13 his starting point. In each case, in order to avoid controversy, my choice was  
14 designed to be consistent with the adjustment adopted by the Commission in the last  
15 case. Because this meant not adjusting Intangible Plant, my proposed adjustment is  
16 very conservative.

17 **Q WHAT WAS THE SOURCE OF THE LABOR ALLOCATOR THAT YOU USED?**

18 A I used the labor allocator reported in ComEd Exhibits 14.2 and 14.3 attached to Mr.  
19 Heintz's direct testimony. I chose this source consistent with my recommendation in  
20 Docket No. 99-0017, which the Commission adopted. Based on Mr. Effron's exhibits,  
21 it appears that he also relied on ComEd numbers to arrive at a labor allocator.

1    **Q     WHY DID YOU NOT INCLUDE AN ADJUSTMENT TO INTANGIBLE PLANT AS**  
2    **PART OF YOUR PROPOSAL?**

3    A     I did not apply an adjustment to Intangible Plant in order to make my adjustment  
4         totally consistent with my proposal in Docket No. 99-0017. In terms of logic, however,  
5         the same principles that support use of a labor allocator to functionalize General Plant  
6         costs and A&G expenses also support use of a labor allocator to functionalize  
7         Intangible Plant costs.

8    **Q     DID THE FUNCTIONALIZATION OF INTANGIBLE PLANT HAVE A MAJOR**  
9    **IMPACT ON RATES IN THE LAST CASE?**

10   A     No. In that case, the total amount of Intangible Plant to be functionalized was  
11         approximately \$80,000. In this case, the amount of Intangible Plant is approximately  
12         \$180 million and the entire addition is in Account 303, which is *miscellaneous*  
13         Intangible Plant.

14   **Q     WHAT PORTION OF THIS \$180 MILLION DOES COMED ALLOCATE TO THE**  
15   **DISTRIBUTION AND CUSTOMER FUNCTIONS?**

16   A     More than \$118 million. Allocation of these costs by the labor allocator would allocate  
17         about \$67 million to these functions.

18   **Q     WHY DID YOU USE MR. HEINTZ'S COST OF SERVICE STUDY AS YOUR**  
19   **STARTING POINT?**

20   A     Because it is the functionalization of costs in that study that is used to establish  
21         ComEd's delivery services revenue requirement.

**Revenue Allocation/Rate Design**

**Q MR. HEINTZ CONTINUES TO INSIST THAT THE BASIC STRUCTURE OF THE ECOSS HAS NOT CHANGED SINCE THE LAST CASE. CAN YOU PROVIDE A SPECIFIC ILLUSTRATION THAT DEMONSTRATES THE INVALIDITY OF THIS STATEMENT?**

**A** Yes. In ComEd's revised ECOSS in the last case there were five demand-related distribution sub-functions included in the delivery service costs:

- 1) Refunctionalized transmission substations;
- 2) Refunctionalized transmission lines;
- 3) Distribution substations;
- 4) Distribution lines; and
- 5) Transformers.

In its proposed ECOSS for this proceeding there are six demand-related distribution sub-functions:

- 1) High voltage ESS;
- 2) High voltage distribution substations;
- 3) High voltage distribution lines;
- 4) Distribution substations;
- 5) Distribution lines; and
- 6) Line transformers.

While it is likely that the refunctionalized transmission sub-functions from the last case are replaced by the high voltage distribution substations and lines sub-functions in this case, the High Voltage ESS ("ESS") sub-function is entirely new. Moreover, ComEd directly assigns more than 90% of the costs included in that sub-function to the over 10,000 kW customer class. Also, the costs included in the refunctionalized transmission sub-functions in the prior ECOSS amounted to \$162 million or 17.5% of demand-related distribution costs, but in this case the three high voltage sub-functions have grown to more than \$337 million which is over 26.5% of demand-related distribution costs.

Finally, the costs in the ESS sub-function must either reflect new investment or a drastically different allocation of that investment than ComEd used in its prior



1 cost study. Since this investment is supposed to be dedicated to individual  
2 customers, it does not seem plausible that a significant portion of this investment was  
3 made since the prior rate case. Therefore, those costs must have been included in a  
4 different sub-function in the last case and allocated in an entirely different manner.  
5 This clearly constitutes a major change from the ECOSS used in the last case.

6 **Q WHAT EXPLANATION HAS MR. HEINTZ OFFERED TO EXPLAIN THE**  
7 **DRAMATIC DIFFERENCES IN THE RESULTS OF THE CURRENT ECOSS FROM**  
8 **THAT IN THE PRIOR CASE?**

9 A He suggests that the primary differences between the studies are Commission-  
10 ordered changes such as the creation of a non-DST function and the elimination of  
11 the "Light Bulb Service" sub-function, and the creation of revised billing and metering  
12 sub-functions. Those changes, however, to the extent they would have any impact  
13 on large customers, would appear to decrease their cost of service not increase it in  
14 the manner suggested by the results of the ComEd ECOSS.

15 His discussion of the creation of the high voltage ESS sub-function suggests  
16 that this was done to enable ComEd to establish its HVDS credit. In fact, however,  
17 ComEd did not even utilize the ECOSS for purposes of establishing its proposed  
18 HVDS credit. The development of ComEd's proposed credit was based on marginal  
19 cost analysis according to the direct testimony of ComEd witnesses Lawrence Alongi  
20 and Sharon Kelly (ComEd Exhibit 13.0 at page 45 and in Attachment N – High  
21 Voltage Service Credit Computation Marginal Cost Based Analysis – to that  
22 testimony).

23 Mr. Heintz also suggests the faster growth in demand-related distribution  
24 costs than in customer-related costs as a possible explanation. In fact, the demand-  
25 related distribution costs in the proposed ECOSS are 38.2% higher than the  
26 corresponding costs in the last case. Increasing the amount of such costs allocated

1 to the over 10,000 class in the last case by 38.2% would result in demand-related  
2 distribution costs of \$48 million. This is far short of the more than \$64 million  
3 demand-related distribution costs allocated and directly assigned to that class in the  
4 proposed ECROSS.

5 The last suggestion of Mr. Heintz is that the changes in revenue requirement  
6 reflect changes in load patterns over time. If there had been substantial changes in  
7 load patterns one would expect to see significant changes in the demand allocators in  
8 the ECROSS study between this case and the last case. However, comparing the  
9 allocation factors between the cases does not suggest that this was a major cause of  
10 the drastic changes in results. For example, the non-coincidental peak demand  
11 allocation factor applicable to the over 10,000 kW class in the last study has  
12 increased by only 3.2% from 0.0746 to 0.0770 in this case.

13 **Q HAVE YOU REVIEWED THE TESTIMONY AND EXHIBITS OF COMMISSION**  
14 **STAFF WITNESS MIKE LUTH?**

15 **A** Yes.

16 **Q WHAT DID MR. LUTH USE AS A BASIS FOR HIS PROPOSED REVENUE**  
17 **ALLOCATION AND RATE DESIGN?**

18 **A** He based his proposals on ICC Staff Exhibit 6.0 which is an embedded cost study  
19 that is nearly identical to the ComEd ECROSS.

20 **Q DID STAFF MAKE ANY CHANGES AT ALL TO THE COMED ECROSS?**

21 **A** No. The only changes discussed by Mr. Luth relate to a slight adjustment to the total  
22 revenue level in the study so that it exactly matches ComEd's requested revenue  
23 requirement and a change in the allocation of the Illinois Electricity Distribution Tax  
24 and Black Start costs, which are allocated outside the cost of service model.

1    **Q     DID MR. LUTH DISCUSS ANY OF THE CHANGES IN THE STRUCTURE OF THE**  
2           **COST OF SERVICE STUDY THAT HAVE OCCURRED SINCE THE COMMISSION**  
3           **APPROVED THE PRIOR COMED STUDY IN DOCKET NO. 99-0017?**

4    A     No.

5    **Q     DID MR. LUTH PROVIDE A COMPARISON OF CLASS REVENUES UNDER THE**  
6           **RATES HE IS PROPOSING WITH PRESENT CLASS REVENUES?**

7    A     No.

8    **Q     HAVE YOU MADE SUCH A COMPARISON?**

9    A     Yes. This comparison is shown on IIEC Exhibit 4, Schedule 1. Overall, Staff is  
10         proposing an increase of 8.7% relative to the revenue requirement approved in  
11         Docket No. 99-0117. Despite this level of increase, the residential revenue  
12         requirement decreases by 4.0% which forces the non-residential customers to face  
13         increases that average 27.0% and street-lighting rates to increase 38.0%.

14                 Individual class percentage increases are even more revealing of the problem  
15         with Staff's proposal. Notable examples include the 800 kW to 1,000 kW class that  
16         would face an increase of 45.4% and the largest street-lighting class that would see a  
17         63.6% increase. Even more telling is the proposal for the over 10,000 kW customer  
18         class that would increase rates by 79.1% – more than 9 times the average  
19         percentage increase.

20   **Q     WOULD INDIVIDUAL CUSTOMERS IN THE OVER 10,000 KW CLASS RECEIVE**  
21           **EVEN LARGER PERCENTAGE INCREASES?**

22   A     Yes. On IIEC Exhibit 4, Schedule 2, I have shown the impact on an average size  
23         customer in the over 10,000 kW class that takes service at less than 69 kV. That  
24         Schedule shows that an average customer in this class is presently paying \$463

1 thousand per year for delivery services and will see those costs increase to \$1.2  
2 million per year under Staff's proposal – an increase of 158%!

3 **Q ARE THE INCREASES PROPOSED BY STAFF REASONABLE?**

4 A No. Even if, for the sake of argument, one assumes that the underlying cost study is  
5 reasonable, the allocation of the increase to customer classes proposed by Staff is  
6 not supportable. It would result in draconian increases for many customer classes  
7 and introduce an element of chaos in delivery service rates at the very time that  
8 stability is critical to the establishment of a competitive market for power. Under the  
9 more realistic assumption that the underlying cost study is seriously flawed, the  
10 problems are multiplied because many of the large, unjustified increases will have to  
11 be reversed in the future.

12 **Q HAVE YOU CALCULATED WHAT YOUR RECOMMENDED RATES WOULD BE**  
13 **BASED ON AN ACROSS-THE-BOARD ALLOCATION OF STAFF'S REQUESTED**  
14 **INCREASE?**

15 A Yes. On IIEC Exhibit 4, Schedule 3, page 1 of 2 shows my recommended rates using  
16 ratcheted demands, while page 2 of 2 uses unratcheted demands.

17 **Q COMED WITNESSES SALLY CLAIR AND PAUL CRUMRINE OPPOSE YOUR**  
18 **PROPOSAL TO REFLECT VOLTAGE-BASED COST DIFFERENCES AT THE 34.5**  
19 **KV LEVEL AS WELL AS THE 69 KV LEVEL THAT COMED HAS PROPOSED.**  
20 **HAVE YOU REVIEWED THEIR TESTIMONY?**

21 A Yes.

1    **Q     ARE THEY CORRECT IN CLAIMING THAT THE VOLTAGE LEVEL THAT A**  
2           **CUSTOMER IS SERVED AT IS DETERMINED BY THE COMPANY USING A**  
3           **LEAST COST APPROACH?**

4    A     I have no reason to doubt their statement. I would note, however, that ComEd made  
5           this same argument in the past with respect to all voltage levels but now claims that it  
6           is only important below 69 kV.

7           The more important consideration is that, regardless of why a customer is  
8           served at a particular voltage level, if it costs less to serve a customer at 34.5 kV than  
9           at 12 kV that cost difference should be reflected in rates. The cost differential that I  
10          calculated with respect to 34.5 kV customers was calculated using the same data that  
11          ComEd used to establish its proposed HVDS credit for customers served at or above  
12          69 kV. That data clearly shows that the cost of serving customers is less at 34.5 kV  
13          than at lower voltages.

14   **Q     IS THE COST DIFFERENCE ASSOCIATED WITH SERVICE AT 34.5 KV**  
15          **SIGNIFICANT?**

16   A     Yes. In fact, the difference in costs between customers served at 34.5 kV and lower  
17          voltages are greater in magnitude than the cost difference between customers served  
18          at 34.5 kV and at 69 kV.

19   **Q     COULD YOUR PROPOSED 34.5 KV CREDIT ENCOURAGE “INAPPROPRIATE**  
20          **VOLTAGE SHOPPING” BY CUSTOMERS IN ORDER TO RECEIVE THE CREDITS**  
21          **AS CLAIMED BY WITNESSES CLAIR AND CRUMRINE?**

22   A     No. If a customer determines that it is economical to pay the cost of taking service at  
23          a higher voltage in order to receive the credit, this is rational and efficient economic  
24          behavior on the part of the customer. ComEd does not incur any unrecovered costs  
25          nor are additional costs imposed on other customers.

1    **Q     COMED WITNESSES LAWRENCE LONGI AND SHARON KELLY CLAIM THAT**  
2       **THEY PROPERLY CALCULATED THE DIFFERENCE BETWEEN THE COST OF**  
3       **SERVING CUSTOMERS AT 69 KV AND CUSTOMERS BELOW 69 KV AND THAT**  
4       **YOU WERE PROVIDED WITH DATA SUPPORTING THAT CALCULATION. IS**  
5       **THAT ASSERTION CORRECT?**

6    A     In general terms, it is. As noted in my direct testimony, the extra steps that ComEd  
7       added to its calculations based on regression analysis and differential equations was  
8       superfluous, but didn't really change the results significantly. Essentially, ComEd  
9       calculated the relationship between the replacement costs of serving customers at or  
10      above 69 kV with the replacement costs of serving customers below 69 kV. I used  
11      the same data (without the bells and whistles) to calculate the savings associated  
12      with service at 34.5 kV.

13   **Q     IF YOU DON'T DISAGREE WITH COMED'S CALCULATION, THEN WHY DID YOU**  
14       **SAY IT HAS OVERSTATED THE CREDIT?**

15   A     Because it has applied the difference that it calculated inappropriately. While it has  
16       calculated the difference in costs between customers served at or above 69 kV and  
17       customers service at lower voltages, it has applied that difference as a credit to the  
18       demand charge that is applicable to *ALL* customers, not just customers served below  
19       69 kV.

20   **Q     DOES THIS COMPLETE YOUR REBUTTAL TESTIMONY?**

21   A     Yes, it does.

## COMMONWEALTH EDISON COMPANY

### Comparison of Present and Staff Proposed Delivery Service Revenue (Dollars in Thousands)

Line	Customer Class	Present	Staff	Staff	
		Delivery Service Revenues	Delivery Service Revenues	Proposed Increase Amount	Percent
		(1)	(2)	(3)	(4)
	Residential:				
1	Single Family without Space Heat		\$ 592,798		
2	Multi Family without Space Heat		163,834		
3	Single Family with Space Heat		24,945		
4	Multi Family with Space Heat		58,459		
5	Total Residential **	874,844	840,036	(34,808)	-3.98%
	Non Residential:				
6	With Only Watt-hour Meters	19,098	20,502	1,404	7.35%
7	0 kW up to and Including 25 kW	58,284	69,199	10,915	18.73%
8	Over 25 kW up to and Including 100 kW	95,251	100,154	4,903	5.15%
9	Over 100 kW up to and Including 400 kW	107,694	131,590	23,896	22.19%
10	Over 400 kW up to and Including 800 kW	71,891	93,229	21,337	29.68%
11	Over 800 kW up to and Including 1,000 kW	19,460	28,288	8,828	45.37%
12	Over 1,000 kW up to and Including 3,000 kW	84,282	112,812	28,530	33.85%
13	Over 3,000 kW up to and Including 6,000 kW	47,918	63,498	15,580	32.51%
14	Over 6,000 kW up to and Including 10,000 kW	21,252	27,708	6,456	30.38%
15	Over 10,000 kW	38,363	68,705	30,342	79.09%
16	Railroad	4,785	7,070	2,285	47.75%
17	Pumping	6,753	7,785	1,032	15.29%
18	Total Non Residential	575,031	730,540	155,509	27.04%
	Lighting:				
19	Fixture-Included	9,993	16,346	6,352	63.57%
	Street Lighting:				
20	Dusk to Dawn	6,607	7,454	847	12.82%
21	All Other Lighting	1,192	736	(456)	-38.29%
22	Total Lighting	17,792	24,536	6,743	37.90%
23	Grand Total *	\$ 1,467,667	\$ 1,595,112	\$ 127,445	8.68%

\* Present Delivery Service Revenues Grand Total is from Final Order in Docket No. 99-0117.

\*\* Present Total Residential Revenues is line 23 less lines 18 and 22

## COMMONWEALTH EDISON COMPANY

### Impact of Staff Proposal On Average Size Customer In the Over 10,000 kW Class Served at a Voltage less than 69 kV

<u>Line</u>	<u>Description</u>	<u>Billing Units</u>	<u>Present Rate</u>	<u>Present Revenue</u>	<u>Staff Proposed Rate</u>	<u>Staff Proposed Revenue</u>
1	Customer Charge	12	\$381.49	\$4,578	\$232.08	\$2,785
2	Metering Charge	12	\$205.29	\$2,463	\$58.50	\$702
3	Demand Charge	237,515	\$1.92	\$456,029	\$5.01	\$1,190,639
4	Total Charges			\$463,070		\$1,194,126
	Increase					
5	Amount					\$731,056
6	Percent					157.9%



## COMMONWEALTH EDISON COMPANY

### Recommended Final Rates at Full ComEd Request and With IIEC Adjustment With Ratcheted Demands

		Full ComEd Request		
Line	Customer Class	Billing Units	Recommended	Recommended
			Unit	Revenue
			Charges	
		(1)	(2)	(3)
Over 3,000 kW up to and including 6,000 kW				
	Customer and Metering Costs			
1	Customer Charge	3,688	\$298.86	\$1,102,196
2	Standard Metering Service Charge	3,688	\$0.98	\$3,614
3	Distribution Facilities Charge (kW)	15,886,254	\$3.41	\$54,095,918
4	HVDS Credit 69+ kV	371,956	-\$1.90	-\$706,716
5	HVDS Credit 34.5 kV	2,844,387	-\$0.85	-\$2,417,729
6	Total			\$52,077,282
Over 6,000 kW up to and including 10,000 kW				
	Customer and Metering Costs			
7	Customer Charge	964	\$325.42	\$313,705
8	Standard Metering Service Charge	964	\$0.98	\$945
9	Distribution Facilities Charge (kW)	7,611,191	\$3.36	\$25,539,933
10	HVDS Credit 69+ kV	657,631	-\$1.90	-\$1,249,499
11	HVDS Credit 34.5 kV	1,774,600	-\$0.85	-\$1,508,410
12	Total			\$23,096,674
Over 10,000 kW				
	Customer and Metering Costs			
13	Customer Charge	1,021	\$450.88	\$460,348
14	Standard Metering Service Charge	1,021	\$1.97	\$2,011
15	Distribution Facilities Charge (kW)	27,185,151	\$2.53	\$68,879,388
16	HVDS Credit 69+ kV	13,371,570	-\$1.90	-\$25,405,983
17	HVDS Credit 34.5 kV	2,638,654	-\$0.85	-\$2,242,856
18	Total			\$41,692,908

## COMMONWEALTH EDISON COMPANY

### Recommended Final Rates at Full ComEd Request and With IIEC Adjustment Without Ratcheted Demands

		Full ComEd Request		
			Recommended	
Line	Customer Class	Billing Units	Unit Charges	Recommended Revenue
		(1)	(2)	(3)
Over 3,000 kW up to and including 6,000 kW				
	Customer and Metering Costs			
1	Customer Charge	3,688	\$298.86	\$1,102,196
2	Standard Metering Service Charge	3,688	\$0.98	\$3,614
3	Distribution Facilities Charge (kW)	12,526,533	\$4.19	\$52,486,269
4	HVDS Credit 69+ kV	180,332	-\$1.90	-\$342,631
5	HVDS Credit 34.5 kV	1,379,018	-\$0.85	-\$1,172,165
6	Total			\$52,077,282
Over 6,000 kW up to and including 10,000 kW				
	Customer and Metering Costs			
7	Customer Charge	964	\$325.42	\$313,705
8	Standard Metering Service Charge	964	\$0.98	\$945
9	Distribution Facilities Charge (kW)	5,795,974	\$4.20	\$24,324,409
10	HVDS Credit 69+ kV	367,786	-\$1.90	-\$698,793
11	HVDS Credit 34.5 kV	992,461	-\$0.85	-\$843,592
12	Total			\$23,096,674
Over 10,000 kW				
	Customer and Metering Costs	1,021		
13	Customer Charge	1,021	\$450.88	\$460,348
14	Standard Metering Service Charge	1,021	\$1.97	\$2,011
15	Distribution Facilities Charge (kW)	20,208,598	\$3.09	\$62,371,919
16	HVDS Credit 69+ kV	10,224,419	-\$1.90	-\$19,426,396
17	HVDS Credit 34.5 kV	2,017,617	-\$0.85	-\$1,714,975
18	Total			\$41,692,908